In Reply Refer To:

OEP/DG2E/Gas 2 Branch
Millennium Pipeline Company, L.L.C.
Docket Nos. CP98-150-006 et al
Columbia Gas Transmission Corporation
Docket Nos. CP98-151-003 et al,
CP05-19-000
Empire State Pipeline and Empire Pipeline, Inc.
Docket Nos. CP06-5-000 et al
Algonquin Gas Transmission System, L.L.C.
Docket No. CP06-76-000
Iroquois Gas Transmission System, L.P.
Docket No. CP02-31-002

TO THE PARTY ADDRESSED:

The staff of the Federal Energy Regulatory Commission (FERC of Commission) has prepared this draft supplemental environmental impact statement (DSEIS) on natural gas pipeline facilities proposed by Millennium Pipeline Company, L.L.C. (Millennium), Columbia Gas Transmission Corporation (Columbia), Empire State Pipeline and Empire Pipeline, Inc. (Empire), Algonquin Gas Transmission System, L.L.C. (Algonquin), and Iroquois Gas Transmission System, L.P. (Iroquois) in the above-referenced dockets. Collectively these proposed facilities are referred to as the Northeast (NE)-07 Project.

This DSEIS was prepared to satisfy the requirements of the National Environmental Policy Act, and it supplements the final environmental impact statement (FEIS) we issued for the Millennium Pipeline Project (Docket Nos. CP98-150 et al.) in October 2001. We note that other issues and environmental impacts were previously identified in our FEIS issued in October 2001. This DSEIS addresses only the issues that were not previously addressed in the FEIS for the Millennium Pipeline Project, such as those arising from newly proposed or modified facilities or facility locations, or updated information.

Proposed Facilities

This DSEIS addressed the potential environmental effects from construction and operation of the following proposed facilities in Genesee, Ontario, Yates, Schuyler, Steuben, Chemung, Tioga, Broome, Delaware, Sullivan, Orange, Rockland, Putnam, and Dutchess Counties, New York; Morris County, New Jersey; and Fairfield and New Haven Counties, Connecticut.

Millennium's Millennium Pipeline Project – Phase I, Docket No. CP98-150-006 et al

- construction of about 181.7 miles of 30-inch-diameter pipeline from Corning, New York, to Ramapo, New York, (from milepost [MP] 190.6 to MP 376.6), with four proposed route modifications within this area;
- acquisition from Columbia and continued use of about 7.1 miles of 24-inch-diameter Line A-5 pipeline from MP 340.5 to MP 347.7;
- acquisition from Columbia of the facilities Columbia would convey to Millennium as listed below:

- construction of 1,278 feet of 24-inch-diameter pipeline from MP 343.8 to MP 344.1;
- installation of additional compression and measuring and regulating (M&R) facilities at Columbia's existing Corning Compressor Station (CS)(MP 190.6);
- construction of the Wagoner M&R station in Deer Park, Orange County, New York, at MP 337.9; and,
- installation of upgrades to the Ramapo M&R station in Ramapo, Rockland County, New York

Columbia's Abandonment Facilities, Docket No. CP98-151-003 et al

- abandonment in place of about 4.5 miles of 10-inch-, 82.2 miles of 12-inch-, 0.2 mile of 16-inch-, and 2.5 miles of 20-inch-diameter pipeline in Steuben, Chemung, Tioga, Broome, Orange, and Delaware Counties, New York, designated as Line A-5;
- abandonment by removal (Millennium would remove Columbia's pipeline when it installs its pipeline via same ditch replacement) of about 55.5 miles of 12-inch-, 16.6 miles of 10-inch-, and 8.8 miles of 8-inch-diameter pipeline in Delaware, Sullivan, Orange, and Rockland Counties, New York, designated as Line A-5, and of the Walton Deposit M&R station at MP 276.1 in Delaware County (Millennium would relocate this facility at the landowner's request and to move it closer to Line A-5);
- abandonment by conveyance to Millennium of:
 - o about 3.1 miles of 10- and 12-inch-diameter pipeline in Steuben County, New York, designated as Line 10325;
 - o about 0.4 mile of 10-inch-diameter pipeline in Broome County, New York, designated as Line 10356;
 - o about 52.5 miles of 10-, 12-, and 24-inch-diameter pipeline in Steuben, Chemung, Broome, and Orange Counties, New York, designated as Line A-5;
 - o about 2.6 miles of 6-inch-diameter pipeline in Tioga County, New York, designated as Line AD-31;
 - o about 0.1 mile of 12-inch-diameter pipeline in Broome County, New, York, designated as Line N;
 - o about 6.7 miles of 24-inch-diameter pipeline in Rockland County, New York, designated as Line 10338;
 - o the following M&R stations in New York:
 - Corning Natural Gas, MP 180.4, Steuben County;
 - Cooper Planes, MP 182.1, Steuben County;
 - M Account, MP 187.5, Steuben County;
 - Corning Glass, MP 188.4, Steuben County;
 - Spencer, MP 217.3, Tioga County;
 - Catatonk, MP 228.2, Tioga County;
 - Owego, MP 231.5, Tioga County;
 - Union Center, MP 240.2, Broome County;
 - Endicott, MP 241.7, Broome County,
 - Westover, MP 245.7, Broome County;
 - Willis Road, MP 248.1, Broome County;
 - Port Dickinson, MP 250.8, Broome County;
 - Kirkwood, MP 253.8, Broome County;
 - Hancock, MP 285.6, Delaware County;
 - Hartwood Club, MP 332.1, Sullivan County;
 - Middletown, MP 347.7, Orange County;
 - Huguenot, MP 3440.5, Orange County;

- Warwick, MP 359.3, Orange County;
- Greenwood Lake, MP 364.2, Orange County;
- Central Hudson/Tuxedo, MP367.9, Orange County;
- Sloatsburg, MP 373.3, Rockland County;
- Ramapo, MP 376.4, Rockland County; and
- Buena Vista, MP 383.3, Rockland County.

Columbia's Line A-5 Replacement Project, Docket No. CP05-19-000

- replacement of 8.8 miles of 8- and 16-inch-diameter segments of Columbia's existing Line A-5 pipeline with larger 30-inch-diameter pipeline in Orange and Rockland Counties, New York;
- modification of three existing M&R stations (the Tuxedo, Sloatsburg, and Ramapo M&R stations) on this segment of Line A-5 to accommodate the larger diameter pipeline; and
- abandonment in place of about 1.0 mile of the existing Line A-5 pipeline.

Empire's Empire Connector Project, Docket No. CP06-5-000

- construction of about 78 miles of new 24-inch-diameter pipeline and associated facilities in Ontario, Yates, Schuyler, Chemung, and Steuben Counties, New York; and,
- construction of a new compressor station in Genesee County, New York.

Algonquin's Ramapo Expansion Project, CP06-76-000

- replacement about 4.9 miles of existing 26-inch-diameter pipeline with 42-inch-diameter pipeline in Rockland County, New York;
- construction of miscellaneous pipeline modifications and meter station modifications at several locations in Rockland County, New York, and Fairfield County, Connecticut;
- modifications to three existing compressor stations in Rockland and Putnam Counties, New York, and Morris County, New Jersey; and,
- construction of one new natural gas compressor station in New Haven County, Connecticut.

Iroquois' MarketAccess Project, Docket No. CP02-31-002

- reduction of the proposed size of the compressor to be constructed in the Town of Brookfield, Connecticut, from 10,000 hp to 7,700 hp;
- construction of a new transfer compressor station and natural gas cooling facilities in the Town of Brookfield, Fairfield County, Connecticut; and,
- installation of cooling facilities at Iroquois' existing compressor station in Town of Dover, Dutchess County, New York.

Purpose of Proposed Facilities

The purpose of the proposed NE-07 Project is to:

- for Millennium to provide for the transportation and delivery of about 525,400 Dth/d to Millennium's customers (as opposed to 714,000 Dth/d in the original certificate application);
- to replace of portions of Columbia's Line A-5 pipeline in cooperation with Columbia's commitment to the U.S. Department of Transportation and the New York Public Service Commission to implement an Age and Condition Program to ensure safety and continuity of service:
- for Empire to provide transportation capacity for gas Canadian, and other gas supplies to the proposed Millennium Pipeline Project Phase I at Corning, New York, adding about 250,000 Dth/d of transmission capacity for downstream markets in the New York City, New Jersey, and New England areas;
- for Algonquin to provide additional capacity via the Ramapo Expansion Project for transportation of new gas supply receipts from the Millennium Pipeline Project Phase I; and specifically, to provide 125,000 Dth/d of natural gas transportation capacity for Con Edison and 200,000 Dth/d of transportation capacity for KeySpan, and to serve customers in the New York natural gas market.
- For Iroquois to provide 100,000 Dth/d of firm natural gas transportation services to Con Edison via the Iroquois MarketAccess Project.

This SDEIS will be used in the regulatory decision making process at the Commission and may be presented as evidentiary material in formal hearings at the Commission. While the period for filing interventions in this case has expired, motions to intervene out-of-time can be filed with the Commission in accordance with the Commission's Rules of Practice and Procedures, 18 CFR 385.214(d). Further, anyone desiring to file a protest with the Commission should do so in accordance with 18 CFR 385.211.

FERC Comment Procedures

Any person wishing to comment on the DSEIS may do so. To ensure consideration prior to a Commission decision on the proposal, it is important that we receive your comments before the date specified below. Please carefully follow these instructions to ensure that your comments are received in time and properly recorded:

• Send an original and two copies of your comments to:

Magalie R. Salas, Secretary Federal Energy Regulatory Commission 888 First Street, N.E., Room 1A Washington, DC 20426

• Reference:

- O Docket Nos. CP98-150-006 et al and CP98-151-003 et al for the Millennium Pipeline Project.;
- o Docket No. CP05-19-000 for the Line A-5 Replacement Project;
- o Docket No. CP06-5-000 for the Empire Connector Project;
- o Docket No. CP06-76-000 for the Algonquin Ramapo Replacement Project; and

- o Docket No. CP02-31-002 for the Iroquois MarketAccess Project.
- Label one copy of the comments for the attention of Gas Branch 2, PJ11.2; and
- Mail your comments so that they will be received in Washington, DC on or before July 24, 2006.

Please note that we are continuing to experience delays in mail deliveries from the U.S. Postal Service. As a result, we will include all comments that we receive within a reasonable time frame in our environmental analysis of this Project. However, the Commission strongly encourages electronic filing of any comments or interventions to this proceeding. See 18 CFR 385.2001(a)(1)(iii) and the instructions on the Commission's web site at http://www.ferc.gov under the "e-Filing" link and the link to the User's Guide. Before you can file comments you will need to create a free account, which can be created by clicking on "Login to File" and then "New User Account."

After these comments have been reviewed, any significant new issues are investigated, and modifications are made to the DSEIS, a final SEIS will be published and distributed by the staff. The final SEIS will contain the staff's responses to timely comments received on the DSEIS.

Comments will be considered by the Commission but will not serve to make the commentor a party to the proceeding. Any person seeking to become a party to the proceeding must file a motion to intervene pursuant to Rule 214 of the Commission's Rules of Practice and Procedures (18 CFR 385.214). Anyone may intervene in this proceeding based on this draft EIS. You must file your request to intervene as specified above. You do not need intervener status to have your comments considered.

U.S. Army Corps of Engineers Regulatory Review Comment Procedures

The notice of availability (NOA) that will be issued by the Commission for the DSEIS will also serve as a Public Notice for the U.S. Army Corps of Engineers (COE) for the applications for permits under authority of Section 10 of the Rivers and Harbors Act of 1899 (33 U.S.C. 403) and Section 404 of the Clean Water Act (33 U.S.C. 1344) for the Northeast (NE)-07 Project. The COE is soliciting comments from the public; federal, state, and local agencies and officials; Indian Tribes; and other interested parties, in order to consider and evaluate the impacts of this proposed activity.

If you wish to provide written comments on the proposed activity pertaining to the jurisdiction of the COE, as described in this DSEIS, please provide them to FERC in accordance with its procedures, as well as the COE within 30 days of the date of this notice (or by July 24, 2006), to:

5

Interventions may also be filed electronically via the Internet in lieu of paper. See the previous discussion on filing comments electronically.

Margaret Crawford U.S. Army Corps of Engineers – Buffalo District Auburn Field Office 7413 County House Road Auburn, New York 13021 (or by e-mail to: Margaret.A.Crawford@usace.army.mil)

A lack of response will be interpreted as meaning that there is no objection to the proposed project. Any comments received will be considered by the COE to determine whether to issue, modify, condition or deny a permit for this proposal. To make this decision, comments will be used to assess impacts on endangered species, historic properties, water quality, general environmental effects, and the other public interest factors listed above. Comments also will be used in the preparation of the final SEIS pursuant to the National Environmental Policy Act, to determine the need for a public hearing, and to determine the overall public interest of the proposed activity.

Please note that questions pertaining to the work within the jurisdiction of the COE as described in this SDEIS may be directed to one of the following respective points of contact:

• For Empire Connector Project (DA Proc. No. LRB-2005-00146) and Millennium Pipeline Project - Phase 1 (DA Proc. No. LRB-2005-02043):

Margaret Crawford U.S. Army Corps of Engineers – Buffalo District Auburn Field Office 7413 County House Road Auburn, New York 13021 (315) 255-8090

 For Millennium Pipeline Project - Phase 1 (DA Proc. No. NAN-2005-00138); Columbia Line A-5 Replacement Project, Algonquin Ramapo Expansion Project (DA Proc. No. NAN-2006-00056); or Iroquois Market Access Project, Dover Compressor Station (DA Proc. No. NAN-2006-00232):

> Heidi Firstencel U.S. Army Corps of Engineers – New York District Albany Field Office 1 Bond Street Troy, New York 12180 (518)273-8593

• For Algonquin Ramapo Expansion Project, Oxford Compressor Station and Brookfield, Connecticut facilities (DA Proc. No. NAE-2006-1516) and Iroquois Market Access, Brookfield Compressor Station (DA Proc. No. NAE-2006-850):

Cori Rose U.S. Army Corps of Engineers – New England District 696 Virginia Road Concord, Massachusetts 017420-2751 (978) 318-8306

Any person may request, in writing, within the 30-day comment period, that the COE hold a public hearing to consider the application. Requests for public hearings shall state, with particularity, the reasons for holding a public hearing.

The COE's decision whether to issue a permit will be based on an evaluation of the probable impact, including cumulative impacts, of the proposed activity on the public interest. That decision will reflect the national concern for both protection and utilization of important resources. The benefit which reasonably may be expected to accrue from the proposal must be balanced against its reasonably foreseeable detriments. All factors which may be relevant to the proposal will be considered including the cumulative effects thereof; among those are conservation, economics, aesthetics, general environmental concerns, wetlands, historic properties, fish and wildlife values, flood hazards, floodplain values, land use, navigation, shoreline erosion and accretion, recreation, water supply and conservation, water quality, energy needs, safety, food and fiber production, mineral needs, considerations of property ownership and, in general, the needs and welfare of the people.

Additional Information

The draft SEIS has been placed in the public files of the FERC and is available for public inspection at:

Federal Energy Regulatory Commission Public Reference and Files Maintenance Branch 888 First Street, N.E., Room 2A Washington, DC 20426 (202) 502-8371

A limited number of copies of the draft SEIS are available from the Public Reference and Files Maintenance Branch identified above. In addition, copies of the draft EIS have been mailed to federal, state, and local agencies; elected officials; public interest groups; individuals and affected landowners who requested a copy of the draft SEIS; and parties to these proceedings.

Additional information about the NE-07 Project is available from the Commission's Office of External Affairs, at **1-866-208-FERC** or on the FERC internet website (http://www.ferc.gov) using the eLibrary link. Click on the "eLibrary" link, click on "General Search" and enter the docket number excluding the last three digits in the Docket Number field. Be sure you have selected an appropriate date range. For assistance, please contact FERC Online Support at FERCOnlineSupport@ferc.gov or toll free at 1-866-208-3676, or for TTY at (202) 502-8659. The eLibrary link on the FERC Internet website also provides access to the texts of formal documents issued by the Commission, such as orders, notices, and rulemakings.

In addition, the Commission now offers a free service called eSubscription which allows you to keep track of all formal issuances and submittals in specific dockets. This can reduce the amount of time you spend researching proceedings by automatically providing you with notification of these filings, document summaries, and direct links to the documents. Go to the eSubscription link on the FERC Internet website.

Magalie R. Salas Secretary